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OLC 78-2498

HPSCI

17 JUL 1978

MEMORANDUM FOR: ADDO

OGC
DDS&T (OSO)
PCS/LOC

FROM : Frederick P. Hitz
Legislative Counsel

SUBJECT : Reporting on CIA Liaison Relationships to
the House Permanent Select Committee on
Intelligence

1. (C) As addressees may recall, in November 1977 the House Permanent Select Committee on Intelligence (HPSCI) requested that CIA provide a briefing on its foreign intelligence liaison relationships. While the DCI was prepared to brief the Committee during a December 1977 appearance, the time the DCI spent before the Committee on that occasion was devoted to other matters and the subject was never re-addressed in a briefing context. Committee staff have now renewed and refined the original request.

2. (C) On 6 July 1978 Thomas K. Latimer, Staff Director, House Permanent Select Committee on Intelligence, asked that the Committee be briefed on "written agreements that are essentially government to government agreements which have not been reported to Congress under the Case-Zablocki Act." Mr. Latimer indicated that he and the Committee understand that the Agency regards these relationships as both sources and methods of intelligence acquisition, but said that the Committee has a responsibility to be apprised of formal relationships which carry with them substantive commitments on the part of the U.S. Government. He also stated that he was not interested in oral and essentially informal arrangements carved out by present or former Chiefs of Stations with chiefs of foreign intelligence services. No date has yet been set for this requested briefing.

3. (C) Reporting to HPSCI on written agreements which are essentially government to government in nature is probably the absolute minimum to which we will be able to limit a briefing on Agency relationships with liaisons. There follows a proposed outline for addressess' consideration

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in attempting to meet the needs of the Committee while maintaining the sense of confidentiality implicit in our relationships with the various foreign liaison services.

4. (S) I believe the briefing should be oral and off-the-record (i.e., that no transcript be taken) and that it should be stressed throughout the briefing that these arrangements constitute some of our most sensitive activities. In addition, it should be pointed out that our reluctance to brief on such matters stems from the fact that we could very possibly lose the cooperation of foreign intelligence services if they found out that we were briefing Congress on those relationships, given the recent Congressional leak record. I propose the following structure for the briefing:

a. Types of relationships:

SIGINT -- Limit geographical descriptions to general areas, i.e.,

Tell the Committee what the nature of these relationships are and how we carry them out. The Committee should be briefed in terms of funds expended, passed, material provided, information passed as well as the benefits to the USG from these relationships.

OPERATIONAL -- Again, limit geographical descriptions to general areas and provide the Committee with descriptions of the kinds of relationships encompassed, such as Exchange of Information (what kinds), Ground Rules (such as), Operations (what kinds and with what objectives), as well as the overall benefits to the United States Government.

b. This might also be an opportune moment to discuss with the Committee the overall benefits of liaison relationships; viz., the value of those relationships to the U.S. intelligence effort, the basic philosophical position that there must be net advantage to the USG in order to justify the relationship, the kinds of product that emanate from these relationships and concluding with some kind of estimate on the number of man-years that these relationships save the USG.

c. Once having concluded the opening remarks and briefing, the Committee will most probably ask some specific questions which the briefers will have to respond to in as general terms as the situation permits. Implicit in the proposed briefing outline is that anything we tell the Committee will be more than we wish to give up and less than the Committee will wish to receive. In the latter context it is worth remembering that the more financially significant of these intelligence agreements have already been exposed to the House Permanent Select Committee on Intelligence in the course of budget mark-up.

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5. (S) Once a briefing package has been worked out, it will have to be coordinated in scope with DOD and NSA, both of whom are being tasked with similar requirements. Attached are proposed guidelines for NFIB agency responses to Congressional inquiries regarding liaison relationships. The proposed briefing is in general consonance with the guidelines.

6. (C) I propose that DDO, OSO and OGC representatives be prepared to meet with [redacted], of my staff, at 1030 hours on 18 July 1978 in 5E11. The purpose of this meeting will be to discuss the above outline and create a briefing package which will be used in briefing the House Permanent Select Committee on Intelligence.

LS
Frederick P. Hitz

Attachments
As stated

Distribution
Orig - adsees
1 - OLC Subject
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DCI/IC 78-0620

Draft
MEMORANDUM FOR: Director of Central Intelligence

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[REDACTED]
Deputy to the DCI for Resource Management

SUBJECT: Reporting to the Congress on Foreign Intelligence
Liaison Relationships

1. (U) Action Requested: That you provide verbal guidance to the NFIB on the above subject.

2. (S) Background:

25X1 a. (S) As you may recall, the Agency reached an understanding with Bill Miller and Senator Inouye in the fall of 1976 on reporting intelligence arrangements to the SSCI (see copy of the guidelines at Tab A). No similar understanding has yet been reached with the HPSCI although, as [REDACTED] recently phrased it, "...we are nudging our way toward it in the House."

b. (S) In March OLC learned that DIA was about to send to the HPSCI (at its insistence) a list of all DoD bilateral intelligence agreements. This action could have created an awkward precedent in view of the fact that the HPSCI request to you of last November for "detailed summaries of all intelligence agreements--written and oral--reached with other nations, including agreements falling both inside and outside the usual reporting to the Congress under the Case-Zablocki Act" has never been answered. You were prepared to brief the Committee in December but the subject did not come up. More recently Mike O'Neil, chief counsel for the HPSCI, has expressed renewed interest in this outstanding request.

c. (U) The DIA response was eventually modified to take care of most of the CIA and NSA concerns. Nonetheless, some Community action seemed called for in anticipation of similar requests in the future.

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d. (S) In April a group, representing those NFIB agencies with foreign intelligence liaison responsibilities, met to discuss the need for uniform guidelines for handling Congressional inquiries regarding such relationships. The group proposed, and their NFIB principals agreed, that the Community as a whole should be guided by the following principles:

(1) Whenever possible, information about intelligence relationships should be provided only in response to requests from committees with intelligence oversight responsibilities.

(2) Whenever possible, responses should be to specific queries regarding specific countries or services. Information should be limited to the identity of the country and the service, the agency working with that service, the general purpose of the relationship and, when necessary for oversight purposes, the resources and manpower involved.

(3) In the event of allegations of improper activities on the part of the foreign intelligence or security service, every effort should be made to provide information bearing on the allegation. Where this would depart from (1) and (2) above, the matter should be referred to the DCI who will attempt to resolve the matter with the requesting committee or, if no resolution is possible, consult with the President.

(4) Whenever possible, responses to inquiries concerning liaison relationships (except those reported under the Case-Zablocki Act) should be answered orally and off the record.

e. (U) While the NFIB principals indicated their willingness to follow the above guidance, they saw little likelihood for success without the support of the oversight committees. They also felt that the probability of obtaining that support would be greater if you took no formal position until after you talked to the committee chairmen.

f. (U) I think you should accept this advice; however, I see no harm in your simply reiterating for the benefit of the NFIB the guidance you plan to discuss with the committees and use the occasion to make your wishes clear on the subject of Community coordination, where there may still be some uncertainty. This

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should be done orally at an NFIB meeting, in keeping with the accepted view that this is the way you should ultimately issue your guidance to the Community on the subject.

3. (S) Recommendations: It is recommended that:

a. (U) You orally reiterate for the benefit of the NFIB the principles set forth in paragraph 2.d. above as the points you intend to discuss with the oversight committees and hope ultimately to issue as Community guidance.

b. (S) You express your concern for the handling of all Congressional inquiries regarding intelligence liaison activities in a secure, uniform and coordinated manner, and designate your Legislative Counsel as contact point to be kept informed regarding such inquiries on your behalf, especially now while negotiations are under way with the committees.



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Attachment:
Tab A--Guidelines

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(15 June 1978)